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James A. Carder
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MEMORANDUM

TO: State Agencies

FROM: OA, Division of Accounting

DATE: May 28, 2002

RE: Notification Regarding the Purchase Order Rollover Process

In June of each year, the Office of Administration provides agencies with the opportunity to roll eligible purchase orders from the current fiscal year to the new fiscal year through the Purchase Order Rollover Process (PORL). Agencies use the SAMII Financial PORL table and the Outstanding Purchase Order reports to identify eligible purchase orders. This memorandum supplies agencies with the information needed to participate in the PORL process.

The Purchase Order Rollover (PORL) table is currently open for Purchasing staff access. To assist agencies with the setting of the PORL table, the following Purchase Order Rollover reports are being posted to MOBIUS on June 3, 2002:

- OFN118R1 (Outstanding Purchase Orders for Regular Appr)
- OFN118R2 (Outstanding Purchase Orders for Continuing Appr)

Please review these reports and determine if your agency's purchase orders should lapse (L), roll (R) or if no action (N) should be taken. For annual appropriations, purchase orders must either lapse (L) or roll (R). For biennial appropriations, purchase orders must either lapse (L) or your agency must indicate that no action (N) is to be taken. In order for a purchase order to roll (R), the **exact** accounting distribution on the FY02 purchase order must exist in FY03.

The default option for the PORL table is lapse (L). Your agency does **not** have to enter an "L" in the Action field for purchase orders to lapse. However, if you elect to enter an "L" by the purchase orders that you want to lapse, your agency can review the PORL table by vendor and verify that there was a conscious decision made for each purchase order and verify that the setting is correct.

If you want the purchase order to roll or if the purchase order is associated with a biennial appropriation and you want no action taken on the purchase order, you **must** update the PORL table.

If your agency has outstanding purchase orders associated with interagency billing agencies, the order must not be rolled to FY03 during the PORL process. The vendor number on the purchase order will not be valid in FY03. We have confirmed through testing that the purchase order will roll if requested by an agency but the agency will not be able to reference the purchase order and make a payment in FY03 because the vendor number on the purchase order will be invalid in FY03. Examples of interagency billing agencies are Missouri Vocational Enterprises, OA/Printing and OA/Telecommunications, etc. Your agency will need to enter a new FY03 purchase order using the new interagency billing vendor numbers beginning with "I" if you want these obligations encumbered in FY03.

To update the PORL table:

- Go to the PORL table
- Enter the vendor number and purchase order number
- Perform a "Browse". The associated purchase order will display.
- Enter an "N" (no action to be taken) or "R" (roll) in the "Action" column by the purchase order (Please note: An "L" (lapse) can be entered if desired.)
- Perform a "Modify/Change".

If the action field is not updated with a "R" or "N", the purchase order will lapse in FY02.

Key Points

- The exact accounting distribution on the FY02 purchase order must exist in FY03.
- If an "N" or "R" is not entered in the "Action" column and the PORL table updated for this action, the purchase order will lapse in FY02. We recommend that you verify the settings are correct on the PORL screen for each purchase order after you have completed entering the "N" or "R". Remember that if the "N" or "R" is not in the field when the PORL job is run, the purchase order will lapse.
- OA, Division of Accounting will review of appropriations set to "N" to ensure that only biennial appropriations are set with an "N" action. If any purchase order contains coding from an annual appropriation and has been coded using an "N" action, it will be changed to "L" by OA, Division of Accounting and the purchase order will lapse during the PORL job.
- FY02 and FY03 FAIT table entries must exist on the FAIT table for any reporting category referenced on a FY02 purchase order that you want to roll to FY03.

- The grant, job, or project must be open if it is referenced on a FY02 purchase order that you want to roll to FY03.

Purchase Orders must either roll or be disencumbered prior to the opening of the new fiscal year.

OA, Division of Accounting will correct P1 documents that reject from the PORL job. Rollover (RO) documents that reject after the PORL run will be deleted from SUSF. If the RO document rejects, the purchase order will have to be manually set up by your agency in FY03.

The ability to roll purchase orders from one fiscal year to the next is a great benefit to the State. OA wants to continue providing this service to State Agencies. However, the benefits to the State are minimized if the system is down for additional days to correct PORL errors. As previously stated, OA will monitor PORL errors by agency this year. If an agency does not comply with the above guidelines, OA will deny the agency access to the PORL table at the end of FY03.

On an ongoing basis, please ensure that your agency has procedures in place to:

- Disencumber a purchase order or modify it to change the order to reference another reporting category prior to deleting an entry from the FAIT table. Agencies must ensure that there are no outstanding purchase orders associated with a specific FAIT table entry prior to deleting the table entry.
- Disencumber the purchase order or modify it to change the reporting category/job/project number referenced on the purchase order prior to closing a grant/job/project. Agencies must ensure that there are no outstanding purchase orders associated with a specific grant/job/project prior to closing the grant/job/project.

Last year, OA, Division of Accounting distributed hard copy screen prints of the RO documents that rejected after the PORL job. However, OA, Division of Accounting will not distribute copies this year to the agencies. It is the agency's responsibility to ensure that the purchase order is in compliance with the above guidelines prior to requesting the roll of the purchase order. If a purchase order does not roll during the PORL process, then the agency must manually set up the purchase order in the new year. It will be the agency's responsibility to determine why a purchase order did not roll during the roll over process. OA, Division of Accounting will not perform the research for your agency to determine why a purchase order did not roll.

If you have any questions, please contact your Agency Customer Service Coordinator. Your Agency Customer Service Coordinator will contact OA, Division of Accounting if he/she needs assistance.